South Atlantic Life Insurance Company

RICHMOND, VIRGINIA

Twelfth Annual Statement---December 30th, 1911

INCOME

Premiums after deducting re-insurance	$ 380,371.54
From contracts paying annuities to beneficiaries	16,235.21
Policyholders' dividends left with the Company on deposit	9,027.45
Interest and dividends	53,367.40
Profit on sales of bonds and stocks	14,697.71
Miscellaneous profit	861.02
Total Income	$ 474,560.33

DISBURSEMENTS

Death claims after deducting re-insurance	$ 64,968.63
Dividends paid policyholders	18,235.16
All other payments to policyholders	14,276.31
TOTAL PAID POLICYHOLDERS, $97,480.10.	
Dividend on deposit surrendered and payments on supplementary contracts	3,018.85
Commissions to agents, agency supervision and traveling expenses, medical and inspection fees	107,098.06
Salaries, rents, advertising, printing and stationery, and all other expenses except taxes	44,384.04
Taxes	7,872.72
Loss on sale bonds and stocks	642.78
Total Disbursements	$ 260,496.55
Excess of Income over Disbursements	214,063.78
Total	$ 474,560.33

ASSETS

Mortgage loans on real estate appraised at $1,990,373.00	$ 708,958.59
Loans on Company's policies not in excess of reserve on those policies	108,693.69
Premium extension notes not in excess of reserve on each policy	22,201.07
Bonds and stocks as valued by the Insurance Commissioner of Virginia	173,830.00
Due and deferred premiums not in excess of reserve on each policy	16,136.15
Cash in Company's office and in banks, of which $52,405.07 bears interest	65,083.43
Accrued interest—none past due	12,428.82
Total Assets	$1,107,331.75

LIABILITIES

Legal reserve on insurance in force—paid for basis—as certified by the Insurance Commissioner of Virginia	$ 788,575.00
Reserve for contracts paying annuities to beneficiaries	11,160.00
Reserve for claims in course of settlement	10,223.28
Policyholders' dividends on deposit and interest thereon, and dividends to be paid during 1912	25,835.55
Premiums paid in advance	459.73
Unearned interest	3,260.81
Taxes due and accrued	3,866.21
Re-insurance premiums due	3,711.56
Surplus for the protection of policyholders, including capital stock of $200,000.00	**260,239.61**
Total	$1,107,331.75

DIRECTORS

RICHMOND, VA.

E. STRUDWICK, PHILIP WHITLOCK, S. W. TRAVERS, S. D. CRENSHAW, H. W. ANDERSON, J. R. GORDON, FRITZ SITTERDING, J. L. ANTRIM, J. SCOTT PARRISH, E. A. SAUNDERS, Jr., E. L. BEMISS, N. W. BOWE, F. E. NOLTING, G. G. VALENTINE, J. D. CRUMP, J. C. HAGAN, L. M. WILLIAMS, H. D. EICHELBERGER, ROBERT LECKY, Jr., I. J. MARCUSE, THOS. S. WINSTON, W. M. HABLISTON.

NORFOLK, VA.

J. W. PERRY, FERGUS REID, TAZEWELL TAYLOR, H. T. CAMPBELL.

LYNCHBURG, VA.

JOHN W. CRADDOCK.

THE AMERICAN AUDIT COMPANY,
RICHMOND, VA.

We have audited the Books and Records of the South Atlantic Life Insurance Company of Richmond, Virginia, for the year ending December 30th, 1911, and find that all items of Income and Disbursements have been properly accounted for.

The foregoing statement, in our opinion, represents the true condition of the Company at the close of business December 30th, 1911. The amount of the Reserve was certified by the Insurance Commissioner of Virginia, and the securities owned were valued according to the quotations furnished by the National Convention of Insurance Commissioners.

The American Audit Company

Attest: L. S. Moore, Secretary. Approved: F. W. Fabrick, President. by Thos. P. Howard, Resident Manager

OFFICERS

E. STRUDWICK ..... President
S. W. TRAVERS ..... Vice-President
HENRY W. ANDERSON ..... Vice-President
CHAS. G. TAYLOR, Jr., ... Secretary and Actuary
J. ALLISON HODGES ..... Medical Director

A. O. SWINK, Manager for Virginia,
111-112 Mutual Building.

ARTHUR LEVY,
District Agent.

GEO. H. MYERS,
J. C. POLLARD,
Special Agents.

SOUTH'S RELATION TO HAY MARKETS

Prices Better Here Than Elsewhere, Notwithstanding Increased Production.

WINTER PASTURAGE FEATURE

Virginia Losing Profitable Trade and Why—A Few Figures That Talk.

BY G. B. BUCHANAN.

With hay prices hovering around the twenty and twenty-five dollar mark, and indications of further boosting manifest, it behooves the farmers of the South, and especially Virginia, to investigate well the position which they hold with reference to America's hay growing industry. To be sure last season was particularly unfavorable for liberal hay production, not only here, but in other sections of the country as well. This accounts in a measure for the high prices. Yet students of general conditions predict that the days of cheap hay are past.

Hay has increased in value because the demand has been increasing faster than the supply. Formerly many tons of forage were stored away each year, in city warehouses, elevators and country barns. This was held in reserve against a time of shortage. Had this been the case last year, it is improbable that prices would have elevated as soon as short crop reports were published. But as a matter of fact recent years have displayed demands for hay which have consistently consumed the supplies offered. Little or none has been left for storage since the middle of the last decade.

And since Virginia has never yet grown sufficient hay for her home market, this scarcity has tightened values here. Many farmers are finding hay too expensive to buy at all, and are compelled thereby to put their stock on short rations. There is no reason for Virginia's dependence upon outside hay. Much less reason that she should not grow more hay for market.

1910 Census Statistics.

The following figures from the Department of Agriculture report, and averages based thereon, will afford a basis for defining the South's peculiar position in this business of growing hay:

In 1904 the United States produced 60,696,028 tons of 2,000 pounds each of hay. The acreage employed aggregated 39,998,602 acres, and the farm value per ton on December 1, 1904, averaged $8.72. Six years later, in 1910, 46,691,000 acres were devoted to hay, and 60,978,000 tons were cut therefrom. Comparatively speaking, this was a smaller yield than that of 1904 since the acreage was greater. Each acre from which hay was harvested in 1904 theoretically produced 1,517 tons. In 1910 the yield on this basis was but 1,356 tons. In the same year the average farm value per ton reached the figure of $12.26.

If no other evidence was forthcoming this should prove conclusively that the demand for hay to-day is far in excess of that six years ago. With a total yield a little greater than produced in 1904, prices in 1910 averaged 50 per cent. more than those realized in the earlier year.

Of this production in 1910 the State of New York contributed the banner amount, 6,351,000 tons. Virginia, on the other hand, although her total area is but one-seventh less than that of New York, produced only 565,000 tons. Virginia was also only sixteen places from the bottom of the column. The States separating Virginia from the end of the list, and the thousand tons produced by each, follow: South Dakota, 408; New Mexico, 407; Maryland, 393; Arkansas, 284; North Carolina, 262; Arizona, 244; Alabama, 172; Mississippi, 142; Georgia, 122; Delaware, 110; North Dakota, 103; South Carolina, 84; Rhode Island, 74; Louisiana, 44, and Florida, 25.

With three exceptions only these States all belong in a distinctly Southern group. Admitting that, because of open weather throughout most of the year, the cattle men and stock raisers do not need to stall feed to an extent necessary at the North, yet the bare fact that every one of these States is now importing hay, straw and other dry forage in large quantities is sufficient justification for the claim that more hay or forage of some kind should be grown by their agriculturists.

In Florida the hayless condition of the farms retards the best development of the soil. Stock to make animal manure for fertilizing cannot be kept because imported hay is too expensive to feed them and most of the native grasses furnish good feed only on the range. This is equally true in other States bordering the Gulf and South Atlantic. Permitting cattle to run in the woods all winter loses to their owners what to the minds of many farmers constitutes an important item in refunding live stock board bills, i. e., the manure.

Where Virginia Surpasses.

The showing in acreage and production for Virginia and the South is not as commendatory as it should be. There was one instance, however, in which this State surpassed New York and most of the remaining country at large. This was in prices. On December 1, 1910, Virginia's farmers received a farm value credit per ton of $14.46, New York, on the other hand, was credited with an average valuation of only $13.54 per ton.

This is 92 cents a ton less than the amount allowed Virginia hay growers, but before considering this in the light of greater wages for the work done, it should be suggested that New York's average yield per acre was .13 tons greater than that of Virginia. This might equalize the return per acre for these two States. But, all the same, there is no way to discredit the difference between farm value per ton for Virginia, and the farm value per ton of the country at large.

Fallacy Disproved.

Should not this abundantly disqualify that much mooted notion that Virginia's soil and climate are unfavorable to produce hay of the best quality? Does it not likewise intimate that the far-famed "hay soils" of the Western and Central Western Prairies are less valuable as hay producers than the soil right here in old Virginia? Remember than the average farm value per ton for the entire country was $12.26 in 1910. That for Virginia hay was $14.46—a value per ton two dollars and twenty cents greater than that for the country at large. Nor is this a fair comparison, since it was the value of hay in the East which boosted the average for the nation to even that figure. Averages of $9, $10 and $11 are the rule throughout the greater part of the West and Central West. And the average of South Dakota is seven dollars and five mills!

True, as a division of the country, the South Atlantic States as a whole produced less valuable hay than was grown in the North Atlantic section. But what of that great country to the West? What of that much heralded prairie and alfalfa lands? Except for the irrigation practiced in some of the far Western States, Virginia would lack little of heading the list for average yield per acre. In States where irrigation is practiced, and several crops of alfalfa per annum are harvested, we find an annual average yield per acre of from two to two and one-half tons. But the farm values for that section are approximately three dollars per ton less than those prevailing in Virginia. In fact, omitting the North Atlantic States, no division of the country can compare with Virginia in average value of hay grown.

Virginia's Location.

Considerable of this difference may be accounted for by the fact that Virginia is much nearer one of the largest hay consuming regions in the world than the West. New York City, for all its utilization of power in many lines which formerly employed horses, still finds horses indispensable in industry, amusement and pleasure. New York has lost none of its prestige as a user of hay. Similar conditions pertain in all Eastern cities. Not only do these buy hay for internal consumption, but some quantities are bought for export, and a good deal is also bought with transhipment to Florida and Gulf ports in view. Much of the export hay is sent direct to European and other markets. The remainder is used to victual horse and cattle transports.

This export demand for hay is now much less than it used to be, owing to the decrease in cattle being shipped out to foreign markets. The growing demand for hay at home also has diminished the quantity available for export. But this loss in export trade affects the prospects of the hay grower in no way. In fact, the export hay business of the United States is now practically at a standstill. Out of a total production in 1910 of over sixty million tons but 55,225 tons were exported during the fiscal year ending June 30, 1911. This, of course, is entirely apart from the coastal trade in hay between Northern ports and Gulf, Porto Rico, Panama and other domestic points.

Imports of hay for the same period were so small as to remain unreported. Primarily this was due to a similar scarcity of farm foodstuffs in foreign countries; another reason is the practically prohibitive tariff of $4 per ton, regardless of grade.

But Virginia's nearness to large urban populations is not its only advantage. Its location is such that it can compete with any market for the trade of that great and populous section lying in and east of the Appalachian system of mountains. There are numerous cattle and horse farms located in this region, which do not, and probably could not if they would grow sufficient forage to feed their animals. These enter the open market to buy hay. They buy largely in the West at present. Not because the West produces superior hay, but solely because the West is the only section in which a surplus of forage is being grown in America to-day. Many millions of dollars are annually spent for forage by these people.

And all that is needed to bring a share of that money to Virginia is for our farmers to grow the hay.

On some Virginia farms the practice is to seed liberally of grasses and clovers. Some very fine crops of both have been grown here. But because of faulty farm management much of the hay which is raised is utilized badly, and, as we are trying to show, Virginia is far behind the hay production which she merits, and which can be attained once her farmers fully realize the value of the position which she occupies in the American hay market.

Professor Wolff estimates that a milk cow weighing 1,000 pounds consumes four and a half tons of dry forage during a year; sheep eat about 400 pounds for each fifty pounds of live weight, and every thousand pounds of live horseflesh requires from four to four and a half tons of dry forage annually. Mules, although they eat a little less per animal than horses, are believed to consume more food on a weight basis. Hogs utilize from five to seven and a half tons of dry matter for each thousand pounds of growth or live weight.

Of course, the above quantities of forage are consumed in the dry state. In usual farm practice we find live stock subsisting on pasture for periods changing as the climatic conditions alter. In the North stall feeding continues till long after pastures are open and flourishing at the South. Frost falls earlier there also. Regardless of this, however, the Southern stockman finds it necessary to stall feed for at least three to five months, according to climate, unless he has provided fields of winter grains or grasses for winter pasture.

If this has been done, and the cattle have access to green food the year round, the rations of hay may be decreased materially. Hay which otherwise would go into the stock can be saved for sale. Moreover, the stock is kept in better condition because the green food is more relished, and it also contains health-giving elements, which are lacking in even the best of hay or dry forage. Again, this winter pasture is providing the land with a "cover crop," which prevents leaching and washing during hard winter rains. Then in the early summer, if the proper plants have been sown, there is furnished a large quantity of green food for soiling purposes, or which can be cut and cured for hay to keep the work horses and mules throughout the season. And last, after the hay or soiling material is removed, the stubble supplies the soil with the best kind of fertilizing ingredients.

This is especially true when legumes have been used in the pasture seeding. Canada peas, clovers and vetches are the principal legumes specially adapted to this work in Virginia and the South. Most of these do best when sown in conjunction with grains, such as rye, oats, winter wheat or barley. Of course, various winter grasses can be employed in seeding also, either in mixture or by themselves. But the general opinion of experimentors is that legumes furnish the best grazing, the most nutritious forage, and give the best soil-improving results. Professor Shaw estimates that Canada pea-oat stubble supplies from ten to twenty tons of soiling food per acre. It is believed, however, that the yields of this growth can be doubled by careful tillage of the ground before planting, and by supplying liberal applications of lime and potash to acid soils.